

NO: R120

COUNCIL DATE: July 27, 2020

REGULAR COUNCIL

TO: Mayor & Council **DATE: July 23, 2020**

FROM: General Manager, Parks, Recreation & Culture **FILE: 5000-01**
General Manager, Finance

SUBJECT: Application for an Investing in Canada Infrastructure, Community, Culture and Recreation Grant

RECOMMENDATION

The Parks, Recreation & Culture Department and the Finance Department recommend that Council:

1. Receive this report for information; and
2. Authorize staff to submit an application to the Investing in Canada Infrastructure Grant Program, Community, Culture and Recreation stream for a grant in the amount up to \$4,400,000 to assist in the construction of the South Surrey Athletic Park track replacement and new artificial turf infield.

INTENT

The purpose of this report is to obtain a Council resolution supporting the City's application for a grant under the Community, Culture and Recreation ("CCR") stream of the Investing in Canada Infrastructure Grant Program to cover the project costs related to the construction of the South Surrey Athletic Park track replacement and new artificial turf infield.

BACKGROUND

In partnership with the Government of Canada, the Province is now accepting applications from local governments as part of the second intake of the CCR infrastructure stream of the Investing in Canada Infrastructure Plan.

The CCR program provides access to funding for projects that will provide upgrades or build new recreation facilities, recreational trails, local community centres and arts and cultural spaces. The City can apply for only one project. A Council resolution in support of this grant application is a requirement of the application criteria. The deadline for applications is Oct 1, 2020. Approvals will likely be announced in 2021.

In order to qualify, the project selected must result in a tangible capital asset. Up to 73.33% of project cost (40% Federal; 33.33% Provincial) may be provided through the grant program. The first intake in 2019 made \$134 million available nationwide. In the first intake, the program was oversubscribed, the average project value awarded was \$2.5 million and the largest project received \$13.4 million. This second intake has \$100.6 million available and, since the program is likely to be oversubscribed, requests for more than \$10 million are less likely to succeed.

For projects that are approved, the actual grant payments are processed after the actual expenditure of funds so the City must be willing to finance construction costs upfront.

DISCUSSION

Parks, Recreation & Culture Department staff reviewed a number of potential projects that could be considered for an application to this grant program against the grant program selection criteria. The following table summarizes these potential projects including estimated project cost, likelihood of success rating for receiving grant funding and rationale for that rating:

Project Description	Estimated Project Cost	Likelihood of Success Rating	Rationale for Likelihood of Success
South Surrey Athletic Park Track Replacement and Artificial Turf Infield	\$6 million	Highest	<ul style="list-style-type: none"> - Similar project in Delta approved in 1st intake of applications (fall of 2019) for this federal program - Based on community need - Enhances and protects public health - Consistent with long-term planning and management for this facility
Newton Urban Park Expansion	\$10 million	Moderate	<ul style="list-style-type: none"> - Requires master planning process including stakeholder consultation that will be a challenge to complete in required timeframe - Requires tree removal which is counter to “enhance and protect environmental health” selection criteria, although tree replacement will occur in the area
Bear Creek Park Stadium and Athletics Centre	\$21 million	Lowest	<ul style="list-style-type: none"> - Size of grant ask due to anticipated oversubscription of the program and past awards
Chuck Bailey Recreation Centre Expansion	\$40 million	Lowest	<ul style="list-style-type: none"> - Size of grant ask due to anticipated oversubscription of the program

Based on the above review, the South Surrey Athletic Park track replacement and artificial turf infield was determined to have the highest likelihood for success through this grant opportunity. During the 1st intake of applications for this Infrastructure program a similar project submitted by Delta – North Delta Track and Washroom project – was successful and received \$5.8 million in federal and provincial funding.

In addition, this project will replace the existing track that is at the end of its service life in South Surrey Athletic Park and provide a new artificial turf field to the South Surrey community where there is the greatest need for this kind of amenity based on hours per participant on artificial turf fields.

The project is in the early stages of design development. The preliminary cost estimate for the project is \$6 million. This estimate will be refined over the next several weeks and the actual grant request will be modified as necessary to match more accurate cost figures as they become known prior to the application deadline.

In addition to City funds, the Ocean Athletics track and field club is currently fundraising for the project and has already raised \$60,000 for the project. Based on these allocations, the City's grant application will be in the amount of \$4.4 million as indicated in the recommendation above. However, as the Infrastructure program is likely to be oversubscribed, staff intend to submit a grant application in a lesser amount, if possible, in order to improve the City's chance of success.

This project depends on infrastructure funding to proceed as described. If the City's application for grant funding is not successful, the project would be greatly reduced in scope. A successful application to the Federal/Provincial Grant program will allow the City to move forward with the project.

Previous successful Federal/Provincial grant applications have included the Surrey Museum (\$4.46 million grant) and the Cloverdale Athletic Park Field House and Field Upgrades (\$1.9 million grant).

Application Requirements

The application itself must include:

- Council resolution;
- Detailed cost estimate;
- Project site plan/map;
- Project study or plan; and
- Proof of City Funds (Finance will need to complete a form demonstrating that funds are available to proceed with the project - "Confirmation of Funds Sheet").

Funding

Staff will put forward the \$1.6 million City contribution for Council's consideration in the 2021 to 2025 Annual Financial Capital Plan.

SUSTAINABILITY CONSIDERATIONS

The application for an Investing in Canada Grant support the objectives of the City's Sustainability Charter 2.0. In particular, this work relates to Sustainability Charter 2.0 themes of Infrastructure and Built Environment & Neighbourhoods. Specifically, these projects support the following Desired Outcome ("DO") and Strategic Direction ("SD"):

- All Infrastructure - SD1: Proactively manage community assets to maintain them over the long-term in a state of good repair; and

- Neighbourhoods and Urban Design DO8: The built environment enhances quality of life, happiness and wellbeing.

CONCLUSION

It is recommended that Council authorize the submission of an application for a grant from the Investing in Canada Infrastructure Plan, CCR stream in the amount of up to \$4,400,000 in order to proceed with the replacement of the existing track in South Surrey Athletic Park and provide a new artificial turf field to the south surrey community.

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